



MEMORANDUM

TO Mayor and Council Members

FROM Paul Hilgers, Community Development Director, Neighborhood Housing and Community Development (NHCD)

DATE November 8, 2007

SUBJECT NOV 8 CITY COUNCIL AGENDA ITEM 24 - MEMO

On September 27, 2007, the City Council authorized an extension of 45 days for the negotiation of the Tri-Party Agreement between the City of Austin, the Urban Renewal Board and the Austin Revitalization Authority. The Tri-Party Agreement outlines the partnership between the three partners who have primary responsibility for the revitalization of East 11th and 12th Streets.

The documents provided today represent a much improved agreement from the original Tri-Party Agreement. This is a result of very hard work among the parties involved, including over 70 hours of intense negotiations. Also, it is a result of a much greater understanding of the dynamics of the redevelopment plan and our experience over the past several years. This document outlines the responsibilities of the parties much more clearly than the original agreement.

From a more global perspective the roles of the different parties can be defined as follows:

The City of Austin The City Council authorizes the investments of public funds to support the revitalization efforts. The City Council is the final decision maker on all actions in the Corridor that involve public resources or the transfer of public land to a private entity, and makes any adjustment to the East 11th and 12th Streets Urban Renewal plan as they are determined to be necessary by the community. The City of Austin also serves as the staff of the Urban Renewal Board providing administrative support, regulatory analysis, and contract compliance and monitoring for all activities under the Agreement.

The Urban Renewal Board Operating under State Law, the Urban Renewal Board acquired all the property it owns under the threat of eminent domain. Therefore, its primary purpose is to ensure that the development plans that occur are consistent with the purposes for which the land was acquired. The Urban Renewal Board is charged with ensuring that the East 11th and 12th Streets Urban Renewal Plan is implemented or, if amendments are made, that the public benefits that were originally sought are secured or enhanced.

The Austin Revitalization Authority For the purposes of this agreement the ARA serves as the organization that is charged with stimulating the redevelopment of the corridor consistent with the Urban Renewal Plan. The ARA is further charged with the responsibility for developing community consensus around any proposed modifications to the East 11th and 12th Streets Urban Renewal Plan.

Some of the more specific improvements are

The Austin Revitalization Authority has a clearly defined mission to develop community consensus for any amendments to the East 11th and 12th Streets Urban Renewal Plan and clearly articulate the public hearing process for the URB.

Clarifies the Austin Revitalization Authority's responsibility and risk for pre-development activities without guaranteed development rights from the City of Austin or the URB.

Identifies clear deadlines of when properties will be transferred for development or new plans must be submitted for the developments. Also, timelines within the agreements have been added to ensure production on the corridor will move forward.

Clarifies the right of the Urban Renewal Board to competitively bid the sale of property to private entities other than the ARA.

Agreement that the Austin Revitalization Authority has the authority to develop Block 17 and Block 18 (assuming timelines are met). In addition, Block 18 will require an East 11th and 12th Street Urban Renewal Plan.

Clarifies the role of the City representative and staff in representing the Urban Renewal Board or the City of Austin.

Attachments

cc Toby Futrell, City Manager
Kristen Vassallo, Chief of Staff

	RECOMMENDED CHANGE	REASON FOR CHANGE
1	Clarified the role of the City Representative and the authorities of the Urban Renewal Board and the ARA to negotiate and make commitments under the Agreement	Need to clearly articulate the responsibilities of each party in the agreement
2	Codified a more formal Urban Renewal Plan Modification Process	Clearly state the role of the ARA in gathering community consensus and the URB's role in seeking public input on the proposed changes through a public hearing process
3	Agreement that the COA will only authorize the transfer of Blk 17 & 18 to ARA, if ARA meets the timelines and requirements identified in the agreement and workplans	Secure ARA's ability to development Blk 17 & 18 and provide development protections for the investment made by ARA in previous agreements
4	Clarified timelines for deliverables within the agreement	Establish response timelines to agreement deliverables
5	Require ARA to provide documentation on how Board actions were taken on transactions related to this agreement and the Urban Renewal Plan	Provide greater transparency to the decisions of the ARA Board with regard to the agreement
6	Prohibit all entities from claiming a property interest or vesting right as a result of any submittal required under the agreement	Clarify that no developmental rights exist, only contractual rights
7	Added, where applicable, the term "private developer"	Clarified right of URB to competitively bid URB owned property
8	Clarify that ARA/private developer are responsible for all costs and expenses associated with a Project Acquisition and Disposition Plan and any related project submissions	Clarify that any associated costs or expenses related to pre-development is the sole responsibility of the proposed developer and does not constitute a liability on the part of the City or the URB
9	Add a "Force Majeure" provision for ARA	Provide a tool for an extension of time for events not within ARA's control
10	Add that the URB is the highest level of appeal regarding a complete application submittal	Provide ARA additional protections for their pre-development investment in proposed projects
11	Establish deadlines regarding the ARA submission of project applications for staff review and URA approval	Standardize a methodology for the submission of project applications
12	Clarified that any property acquired in the area by any of the parties is subject to the Uniform Relocation Act and therefore limits ARA's ability to acquire property in the Redevelopment area on its own	All property acquisition in the Redevelopment Area is subject to the Uniform Relocation Act